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June 23, 2009

VIA OVERNIGHT DELIVERY

Mr. Charles Terreni Chief Clerk of the Commission South Carolina Public Service Commission 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210 (803) 896-5100

Re: Dialtone & More, Inc.

Docket No. 2008-138-C

Dear Mr. Terreni:

Attached please find an original and twenty-five (25) copies of Dialtone & More, Inc.'s Two Year Plan.

I have enclosed an extra copy of this letter to be date-stamped and returned to me in the self-addressed, postage prepaid envelope I have provided.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,

Angela Japasen, Legal Assistant lo

Lance J.M. Steiphart

Attorney for Dialtone & More, Inc.

cc:

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LIFELINE AND LINK UP ADVERTISING AND OUTREACH PLAN

Of

DIALTONE & MORE, INC.

For The STATE Of SOUTH CAROLINA

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SUMMARY

Dialtone & More, Inc. has developed this Advertising Plan (the "Plan") in compliance with Chapter 103-690 of the South Carolina Code of Regulations (Unannotated), which requires carriers who are "seeking ETC designation for the purposes of participation in the Lifeline and Link Up programs" to "submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the lifeline and Link Up programs". In accordance with state and federal requirements, Dialtone & More, Inc. will "Publicize the availability of Lifeline service in a manner reasonable designed to reach those likely to qualify for the service".

Implementation of the Company's Advertising Plan will commence upon designation as an Eligible Telecommunications Carrier ("ETC") and will continue for a term no less than twentyfour (24) months from the date that the approval order becomes effective.

BACKGROUND

Dialtone & More, Inc. ("Dialtone & More, Inc.", the "Company") is a Georgia Corporation² and is authorized to conduct business as a foreign corporation in the State of South Carolina. Dialtone & More, Inc. was granted a Certificate of Public Convenience and Necessity to Provide Competitive Resold Local Exchange Telecommunications Services within the State of South Carolina Pursuant to Order No. 98-394 issued in Docket No. 98-050-C on May 29, 1998, which was amended by Order No. 2007-79 issued on February 1, 2007, to allow Dialtone & More, Inc. to utilize the Unbundled Network Platform as a delivery means for its local exchange service. The Company's principle office is located at 11121 Highway 70, Suite 202, Arlington, Tennessee 38002. The telephone number of the Applicant is (901) 373-3103. Information regarding the pricing and availability of the services offered by Dialtone & More, Inc. can be found on the Company's website at www.anglescs.com.

Dialtone & More, Inc. provides local exchange and exchange access service in the AT&T Southeast (f/k/a Bellsouth) exchanges of South Carolina using a combination of resale and unbundled network elements (UNEs) or unbundled network element equivalents obtained through agreements with the underlying carrier. These agreements allow the Company to provide end-to-end switching and delivery of calls.

ADVERTISING AND OUTREACH PLAN

The Advertising and Outreach Plan of the Company is structured to promote maximum visibility of the Lifeline and Link Up programs throughout the State of South Carolina. Dialtone & More, Inc. will use advertising mediums that have a proven track record of effectively identifying, informing, and educating current and potential subscribers of the Lifeline and Link Up programs thereby increasing consumer awareness and the overall penetration of Lifeline and Link Up subscribership in South Carolina. The Company will begin implementation of its Advertising

¹ CFR 47 § 54.405(b)

² Dialtone & More, Inc. was incorporated in the State of Georgia on September 16, 1997

and Outreach Plan throughout the AT&T Southeast exchanges in the State of South Carolina upon designation as an ETC, which will continue for a period of no less than 24 months.

I. Advertising and Outreach to Existing Customer Base

Upon designation as an Eligible Telecommunications Carrier ("ETC") in the State of South Carolina, Dialtone & More, Inc. will implement its Advertising Plan by contacting the Company's existing customer base.

This goal of this phase of the Advertising Plan will be two-fold. The first goal is to inform existing customers not only of the availability of Lifeline and Link Up, but also of the savings that eligible consumers can anticipate.

The second goal is to educate customers as to the eligibility requirements for participation in the Lifeline and Link Up programs.

To accomplish these goals, Dialtone & More, Inc. will utilize USACs Consumer Outreach Lifeline and Link Up letter, a copy of this which is included with this Plan and is labeled as Attachment 1. A copy of this notification will be included by the Company as a billing insert. Approximately 30 days after the billing insert has been sent, Dialtone & More, Inc. will send a stand-alone notice of the same, via U.S. mail, to each active non-responding customer.

Approximately 60 days after the billing insert has been sent, the Company's customer service representatives will begin contacting customers who have not responded to either mailing in an effort to make the existence of and the eligibility requirements for this vital low-income program known.

Dialtone & More, Inc. anticipates that the expected implementation period for this phase of the Company's Advertising Plan to will take approximately three (3) months.

II. Advertising and Outreach to New Customers

A. Web Based

In conjunction with the advertising and outreach effort, directed at the Company's existing customer base, Dialtone & More, Inc. will post company-specific Lifeline and Link Up information on the its Corporate website as well as on USACs Low Income consumer website located, which is located at www.lifelinesupport.org.

This will provide information about Lifeline and Link Up and will educate potential subscribers as to the availability of and eligibility requirements for participation in the Lifeline and Link Up programs offered by Dialtone & More, Inc..

B. Governmental Agencies

Dialtone & More, Inc. will coordinate its outreach efforts with and provide advertising materials to governmental agencies and other organizations that administer relevant governmental assistance programs and cater to those likely to qualify for support. Currently, the Company's advertising plans call for it to coordinate advertising and outreach efforts with organizations such as:

Social Service Agencies Community Centers Local Counsel on Aging Centers United Way AARP

Implementation of this phase will begin upon completion of the Company's Outreach to its existing customer base and will be ongoing in nature. Dialtone & More, Inc. expects that it will take approximately twelve (12) months to make outreach materials fully available throughout the designated service area.

C. Print Media

Dialtone & More, Inc. will begin print advertising using a media of general distribution. Specifically, the Company will begin by advertising the availability of Lifeline and Link Up in the designated area through free publications such as the Dollar Saver and Thrifty Nickel. These publications, and others like it, are available without cost or subscription requirements and are widely distributed throughout the State of South Carolina. As such, Dialtone & More, Inc. believes that this form of advertisement to not only be effective but is consistent with the requirements of §54.405 and 54.411, which require ETCs to publicize the availability of Lifeline and Link Up service in a manner reasonable designed to reach those likely to qualify for the support.

Implementation will begin upon completion of the Company's Governmental Outreach campaign and will take approximately six (6) months to fully implement in all of the designated service area. Once in place, Dialtone & More, Inc. will continue its print media advertisement on an ongoing basis.

D. Broadcast Media

Dialtone & More, Inc. will implement a brisk and consistent broadcast advertising campaign throughout South Carolina. Implementation of this phase of the Company's advertising and outreach campaign will commence with advertising on broadcast TV stations in lieu of cable TV due to the lack of low-income viewership.

Current broadcast plans call for the Company to begin advertising on broadcast TV stations throughout the State of South Carolina. In addition, the Company will specifically target stations with affiliate TV and Radio stations.

Implementation will begin upon completion of the Company's Print Media Campaign. Dialtone & More, Inc. anticipates that it will take approximately six (6) months to fully implement its Broadcast Outreach in all of the designated service area. Like the Company's print media campaign, Dialtone & More, Inc. anticipates that its broadcast advertising campaign will continue unabated.

III. Qualification and Enrollment

Lifeline is a program that provides eligible consumers with a monthly recurring discount, off of the rate for basic local exchange service, of up to \$13.50.

Link Up provides eligible consumers with a 50%, up to \$30.00, off of the cost associated with connecting local exchange service.

Consumers are eligible for Lifeline and Link Up support if they participate in one of the following State approved needs-based programs:

- Food Stamps
- Medicaid
- Family Independence (TANF)

In addition, consumers, residing in the Bellsouth service areas of South Carolina, are also eligible for Lifeline and Link Up benefits if their total annual household income is at of below 125% of the Federal Poverty level.

Dialtone & More, Inc. has developed a compliance manual, which provides detailed information of the specific requirements for eligibility in Lifeline and Link Up on a state-by-state basis.

All advertising and outreach materials will direct consumers to call Dialtone & More, Inc. at toll free (877) 264-5375. The Company's customer service representatives will assist consumers to determine if they are eligible for Lifeline and Link up benefits. When a customer is deemed eligible, representatives will send, by fax, email, or U.S. mail, a copy of the Company's self-certification form. This form allows customers to self-certify, under penalty of perjury, that they meet the need-based eligibility requirements of the State. In addition, Dialtone & More, Inc. requires all customers to provide documentation of proof of eligibility, which can be in the form of a copy of the customers Medicaid card, Food Stamp card, or certification from the appropriate State Department. Eligible customer accounts will be enrolled in Lifeline and applicable Lifeline and Link Up credits will be provided after proof of eligibility has been received by the Company.

In December of 2004, the Office of Regulatory Staff requested and was designated to serve as the agency handling Lifeline applicants, within the AT&T Southeast territories of South Carolina, seeking qualification under the 125% poverty standard³. As such, consumers who are eligible for Lifeline and Link Up under the Income Based criteria will be directed to the South Carolina Office of Regulatory Staff ("ORS") at 866-788-6565. Approval of customers, who qualify under the Income based criteria, is handled by the ORS and certification of eligibility will be sent directly to the Company. Income Based eligible customers will be enrolled in Lifeline and applicable Lifeline and Link Up credits will be provided upon certification by the ORS.

Lifeline and Link Up credits will not be provided until all documentation of proof of eligibility has been received by the Company.

IV. Verification of Continued Eligibility

The FCC has recommended that all states, including federal default states, be required to establish procedures to verify a consumers' continued eligibility in the Lifeline program under Program Based or Income Based Eligibility criteria, which could include, but would not necessarily be limited to, random beneficiary audits, periodic submission of documents, or annual self-certification. However, to date, no clear-cut method of verification has been established. For example, in some states, the ETC is responsible for verifying the consumer's continued eligibility, while other states require their state agencies to devise procedures for eligibility verification. Still another state establishes eligibility verification procedures that involve state agency and carrier participation.

As such, Dialtone & More, Inc. has elected to follow the FCC's recommendation that ETCs be required to verify annually the continued eligibility of a statistically valid sample of their Lifeline subscribers. Under this program, ETCs are free to verify directly with a state that particular subscribers continue to be eligible by virtue of participation in a qualifying program or income level. Alternatively, to the extent ETCs cannot obtain the necessary

³ September 2006 Annual Report on the South Carolina Universal Service Fund Lifeline and Link Up Programs

information from the state, they may survey the subscriber directly and provide the results of the sample to USAC.

Subscribers who are subject to this form of verification and who qualify under Program Based Eligibility criteria must prove their continued eligibility by presenting in person or sending a copy of their Medicaid card or other Lifeline-qualifying public assistance card and self-certifying, under penalty of perjury, that they continue to participate in the Lifeline-qualifying public assistance program.

Subscribers who are subject to this form of verification and who qualify under the Income Based Eligibility criteria must prove their continued eligibility by presenting current documentation consistent with the federal default certification process. These subscribers must also self-certify, under penalty of perjury, the number of individuals in their household and that the documentation presented accurately represents their annual household income.